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# **Defense Acquisition Domain (Sourcing ) (DADS) Analysis of Alternatives (AoA)**

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# Overview



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- **What's an AoA all About?**
- **Purpose of Doing an AoA**
- **Operational Environment**
- **DADS AoA**
  - **Authority and Scope**
  - **Schedule**
  - **Status of Planning Efforts**
- **Conclusion**



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# What's an AoA All About?

- **Definition:** Rigorous analysis to evaluate the cost and effectiveness of potential materiel alternatives selected to meet a mission requirement
- **Key AoA Components**
  - Alternative development
  - Effectiveness analysis
  - Cost analysis
  - Cost/effectiveness analysis

**DoDI 5000.2**  
**Operation of a Defense Acquisition**



# Purpose of Doing an AoA

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## What are Some of the Reasons for Doing AoAs?

- To justify need for starting, stopping or continuing an acquisition program
- To support decision making
  - Requirements Generation & Modernization Planning
  - Planning, Programming & Budgeting System (PPBS)
- To support Decision Makers by providing reliable, objective assessments of the options available for meeting real mission needs, based on cost, effectiveness, and risk

**Required -- potential ACAT IA Major Automated Information Systems (MAIS)**

**(Any one year program cost of \$32M or Total program cost exceeds \$126M)**



# Defense Acquisition Framework



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User Needs & Technology Opportunities

- Process entry at Milestones A, B, or C
- Entrance criteria met before entering p
- Evolutionary Acquisition or Single Step Full Capability

We are Here FY04



A

B

(Program Initiation)

C

IOC

FOC

Concept Refinement

Technology Development

System Development & Demonstration

Production & Deployment

Operations & Support



Concept Decision



Design Readiness Review

LRIP/IOT&E



FRP Decision Review

Pre-Systems Acquisition

Systems Acquisition

Sustainment



# AoA Benefits



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- **Aids decision maker**
  - Links requirements & measures of effectiveness
  - Shows cost & effectiveness sensitivities to changes in assumptions & parameters
  - Identifies cost & effectiveness risk
- **Fosters joint ownership between decision maker & all levels of support staffs**
  - Provides reasonable screening of alternatives
  - Identifies key assumptions and variables
  - Uncovers “biggest bang for the buck”
  - Ensures integrity through independent analysis
- **Documents analysis to support decision**



# Operational Environment



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- **DoD's Business Management Modernization Program (BMMP) has 6 Business Domains**
  - **Accounting/Finance \*** \* **Integral to End-to-End Process**
  - **Acquisition \***
  - **Logistics \***
  - **Human Resource Management**
  - **Installation and Environment**
  - **Strategic Planning and Budgeting**
- **Capability Gap** - Joint, seamless, end-to-end procurement process to realize efficiencies in supplying goods and services to the Warfighter



# DADS AoA



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- **Purpose:** Way ahead beyond SPS V4.2
- **Scope:** Sourcing
  - Moves beyond contract writing to include contract management, purchase card & assistance agreements
- **Authority:** DPAP directed AF to lead effort
  - AFMC/PKS leading AoA planning and execution
  - Joint: All DOD Components represented





# DADS AoA



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- **Current Gaps:**
  - Limited integration with business partners; no DoD enterprise-level spend data; not CFO compliant
- **AoA Alternative Categories:** Status Quo, Modified Status Quo, COTS, GOTS (or combination)
  - Will select **representative solutions** for analysis
  - Not necessarily a replacement of SPS
  - May not be a single application



# Schedule



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## **1. Planning Phase**

**30%-40%**

**3-6 months**

- Define Problem
- Build Team
- Develop Plan
- Collect Information

**Study Plan Expectations  
(total timeline 8-16 months)**

## **2. Analyze**

**30%-40%**

**3-6 months**

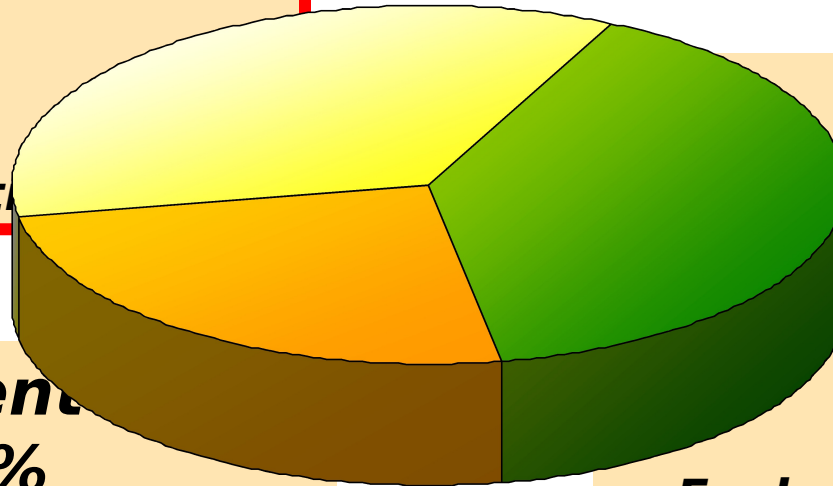
- Collect Data
- Identify Tools
- Execute Tools
- Evaluate Sensitivities
- Interpret Findings

## **3. Present**

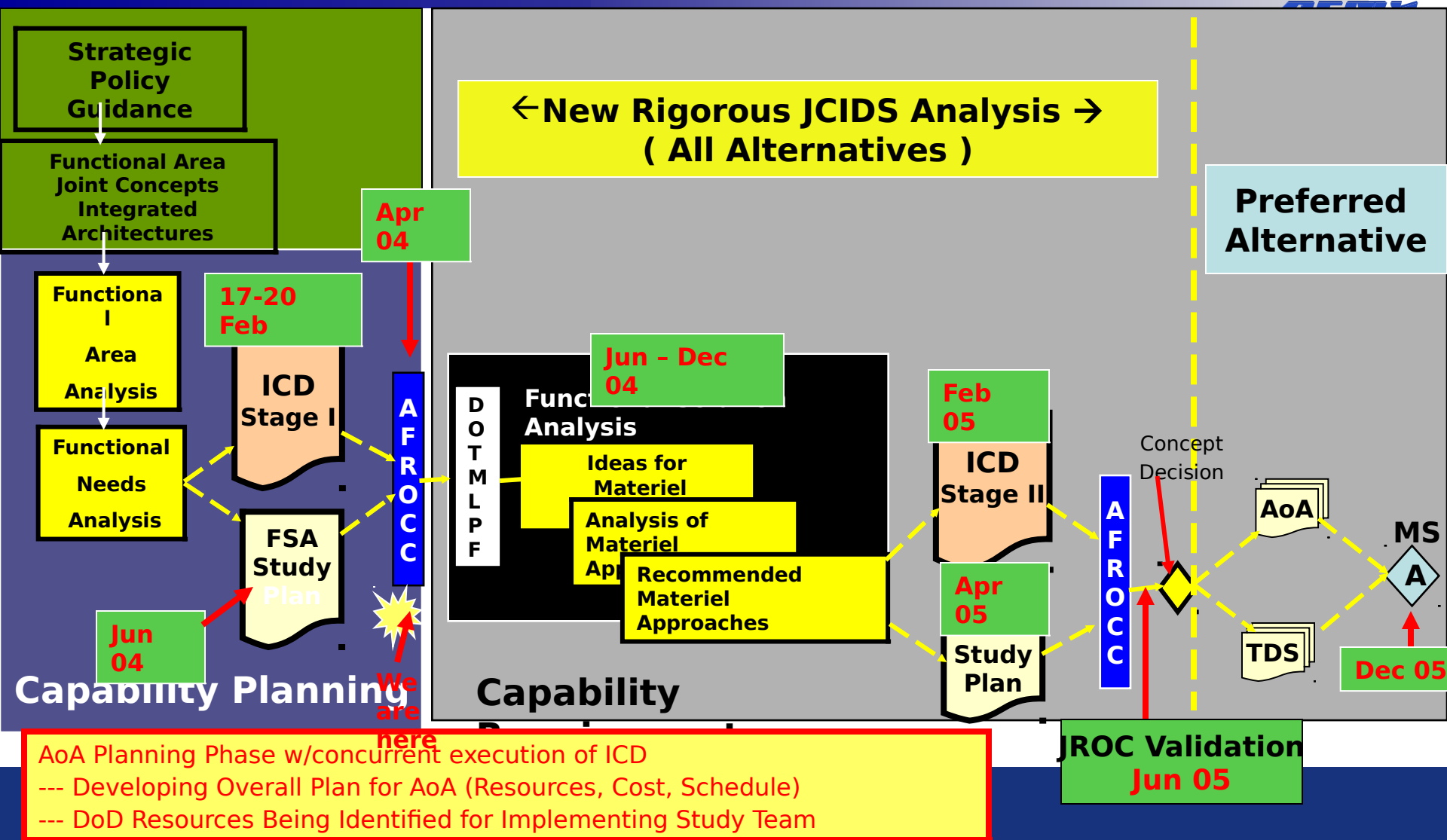
**20%-30%**

**2-4 months**

- Package Results
- Present Findings
- Publish Report



# AOA Integrated Schedule





# Preliminary Requirements (Sample)



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- **Law: CFO Act, Clinger-Cohen, GPRA, FISMA, etc**
- **DoD Business Process Re-engineering Workshops**
- **Govt Purchase Card IPT**
- **PD2 299 Requirements**
- **DLA Business System Modernization (BSM)**
- **Technical:**
  - Business Enterprise Architecture and Service EAs
  - Global Information Grid CRD
  - Network Core Enterprise Services ICD
  - Global Combat Support System
- **NARA - Records Management**





# Accomplishments to Date



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- **Developed Initial Capabilities Document (ICD) I**
  - High level statement of requirements
  - AFROCC and Acquisition Domain Reviews
  - No “Critical” level comments received
- **Established 5 AoA Working Groups**
  - Sourced WG leads and members
  - Using Office of Aerospace Studies as consultant
- **Functional Solutions Analysis Plan & ICD I briefed to AFROCC on 22 April**



# Issues/Expectations



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- Aggressive schedule - AT&L memo required JROC approved ICD, MDA approved AOA Plan by Q2FY04
  - Timeline untenable - OSD DPAP apprised and concurred with timeline TBD (as soon as possible)
- Need preliminary validated requirement to support DCMA POM 06 input (ICD I)
- Requires significant joint commitment/resources
- We will call on you for requirements review / definition-- we want to get it right



# Conclusion



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- **AoA lays groundwork for way ahead**
- **Opportunity for Acquisition Domain to move forward as an integrated community**
- **The goal is interoperability with our business partners across the enterprise**





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# QUESTIONS



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# **BACK UP CHARTS**



# Alternatives



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**An Alternative is a proposed materiel solution (hardware and/or software) to an identified operational need or shortfall**



***Which One?***

- **AF Product Centers**
- **AF Research Laboratory**
- **AF MAJCOMs**
- **Army or Navy**
- **National Laboratories**
- **Contractors**
- **Others**

**Sources**

- **Host platforms (satellite, aircraft, ship, etc.)**
- **Scientific principles (IR, radar, etc.)**
- **Engineering implementations (piloted, autonomous, etc.)**
- **IT alternatives (networked, distributed, centralized, etc.)**

**Variations**